



Rural Electric Cooperative Corporation

A Touchstone Energy® Cooperative 

July 8, 2014

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JUL - 9 2014

PUBLIC SERVICE
COMMISSION

MR JEFF DEROUEN
EXECUTIVE DIRECTOR
PUBLIC SERVICE COMMISSION
PO BOX 615
FRANKFORT KY 40602

RE: PSC CASE NO. 2014-00051

Dear Mr. Derouen:

Please find enclosed an original and five (5) copies of our responses of Nolin RECC as requested in the above referenced case.

If you have any questions, please let me know.

Sincerely,

A handwritten signature in cursive script that reads "Michael L. Miller".

Michael L. Miller
President & CEO

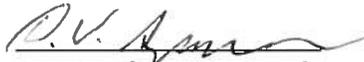
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Enclosures

Commonwealth of Kentucky
Before the Public Service Commission
Case No. 2014-00051

VERIFICATION

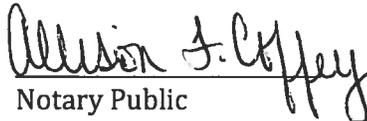
I verify, state and affirm that the testimony filed with this verification and for which I am listed as a witness is true and correct to the best of my knowledge, information and belief formed after a reasonable inquiry.


O.V. Sparks, Vice President Administration & Finance

State of Kentucky

County of Hardin

The foregoing was signed, acknowledged and sworn to before me by O.V. Sparks, this 8th day of July, 2014.


Notary Public

My Commission Expires:

August 27, 2016

NOLIN RURAL ELECTRIC COOPERATIVE CORPORATION
CASE NO. 2014-00051
STAFF'S SECOND REQUEST

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PUBLIC SERVICE
COMMISSION

1. This question is addressed to each of the member distribution cooperatives. To further Staff's understanding of how environmental surcharge expenses and revenues impact a cooperative's financial position, explain how the transactions are recorded on your books and provide representative journal entries showing account numbers and descriptions.

July 2013			
Account		Surcharge Amounts	
Number	Description	Debit	Credit
555.00	Purchased Power	685,013	
232.10	Accounts Payable		685,013
	<i>To record power bill</i>		
232.10	Accounts Payable	685,013	
131.13	Cash - General Fund		685,013
	<i>To record payment of the power bill</i>		
142.00	Accounts Receivable	716,737	
440.10	Residential Sales		493,538
442.10	Comercial & Ind. 50 kVa or less		117,521
442.20	Comercial & Ind. Over 50 kVa		102,637
444.00	Public Street & HWY Lighting		3,041
	<i>To record the billing</i>		

2. This question is addressed to each of the member distribution cooperatives. Refer to the responses to the Commission Staff's First Request for information, Item 2.a., for your cooperative.

- a. Using the month of July 2013 as an example, for the amount shown in the column titled "EKPC Invoice Month recorded on Member's Books," for your cooperative, provide the month in which the expenes are incurred by EKPC and when this amount is billed to the member cooperative.

Month Expense Incurred by EKPC	June 2013
Billed to Nolin on the Power bill for	July 2013
Dated	August 1, 2013

- b. Using the month of July 2013 as an example, for the amount shown in the coulumn titled "Billed to Retail Consumer & recorded on Member's Books," for you cooperative, provide the pass-through factor and the revenue amount to which it was applied to arrive at the amount shown.

Factor	Revenue	Surcharge
12.92% \$	5,547,665	\$ 716,758

Witness: O. V. Sparks